



## Fact Sheet:



# Negotiated Net Amount

## Overview

Trailer Bill 627, Chapter 64, Statutes of 1993: (1) opened the Negotiated Net Amount (NNA) Pilot Project to all counties for Fiscal Year 1993-94; (2) terminated the pilot project on June 30, 1994; and (3) required the Department of Alcohol and Drug Programs (ADP) to negotiate, on or before July 1, 1994, multi-year contracts with every county thereafter.

## NNA Contracts

NNA contracts are negotiated for combined alcohol and drug program services. ADP and the county negotiate an agreed upon fixed amount of services based on allocations and a dedicated capacity for providing alcohol and drug treatment and prevention services eligible for county services.

“Dedicated capacity” is the ability of the county staff to ensure the availability of staff, facilities, and other resources necessary to provide alcohol and drug treatment and prevention services. Dedicated capacity is expressed in “units of service” such as:

- clients served
- visit days
- available staff hours
- slot days; and
- available bed days, etc.

NNA contracts are initially negotiated for three fiscal years (i.e., July 1, 2007, through June 30, 2010). Negotiations for the subsequent years are conducted by correspondence, and changes are made through a contract amendment process. The county is reimbursed monthly in arrears.

Counties participating in the NNA contract process must submit financial reports and other reports including: treatment and prevention services reports, compliance reports, and end-of-year cost report data.